

CONFIDENTIAL

ROUTINE RELEASED IN PART

B6, B1, 1.4(D) DEPARTMENT OF STATE
ARA/NEA REARCS

INCOMING

R243

PAGE 01 OF 02 CARACA 00002 00 OF 03 162118Z 042622 5012510
ACTION: UE (02)

CARACA 00002 00 OF 03 162118Z 042622 5012510

INFO: DAND (01) RJ (01) PDAS (01) MM (01) ARA (01) PPC (01) DAS (01)
PPA (01) EPSC (04) DEPC (01) CO (02) PE (01) BL (01) EC (01)

----- 17/1224Z A2 RD (TOTAL COPIES: 020)

ACTION ARA-00

INFO LOG-00 ACDA-00 ACDE-00 CIAE-00 DODE-00 DOEE-00 SPPP-00
DS-00 H-01 TEDE-00 INR-00 LAB-01 L-00 ADS-00
NSAE-00 NSCE-00 OHB-01 OPIC-01 PA-00 PM-00 PRS-00
P-00 CIO-00 SP-00 IRSE-00 T-00 PHB-00 DSCC-00
DRI-01 G-00 SAS-00 /012M27CE6A 162119Z /16
UNITED STATES DEPARTMENT OF STATE

R 162109Z MAR 98

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 00001

INFO AMEMBASSY BOGOTA

AMEMBASSY LIMA

AMEMBASSY LA PAZ

AMEMBASSY QUITO

USCINCSO MIAMI FL

USIA WASHDC 1473

BIA WASHDC

CONFIDENTIAL CARACAS 00002

E.O. 12958: DECL: 3/16/01

TAGS: PGOV, UE

SUBJECT: DEMOCRATIC ACTION (AD) RECASTING ITSELF AS THE PARTY OF
CHANGE: AMBASSADOR MEETS WITH AD SECRETARY GENERAL LUIS ALFARO

REF: 97 CARACAS 4007

CLASSIFIED BY REASON: 1.5 (D)

SUMMARY

J. (C) DEMOCRATIC ACTION (AD) IS STRIVING TO SHAKE ITS IMAGE AS KEEPER OF THE STATUS QUO AND RECAST ITSELF AS THE PARTY OF CHANGE. AD SECRETARY GENERAL ALFARO INDICATED IN A BREAKFAST MEETING WITH AMBASSADOR. HE SAID AD WILL PROPOSE A PROGRAM FOR THE NEXT GOVERNMENT OF "SEVERE MEASURES" TO REDUCE BUREAUCRACY, COMPLETE PRIVATIZATION, AND STAMP OUT CORRUPTION. ALFARO CLAIMED THAT PRESIDENTIAL CANDIDATE IRENE SAEZ'S BASE OF SUPPORT IS INHERENTLY WEAK AND THAT HUGO CHAVEZ'S "APOCALYPTIC VISION" HAS LIMITED APPEAL WITH VOTERS. ALFARO RECOGNIZES, HOWEVER, THAT BOTH SAEZ AND CHAVEZ ARE TAPPING INTO THE ELECTORATE'S DISCONTENT WITH THE "POLITICS-AS-USUAL" THAT AD EPISTEMIZES. AMBASSADOR STRESSED OUR INTEREST IN THE INTEGRITY OF THE ELECTORAL PROCESS BUT OUR NEUTRALITY AS TO CANDIDATES AND PARTIES. END SUMMARY.

"REINVENTING AD"

2. (C) DURING A BREAKFAST MEETING WITH AMBASSADOR (ALSO PRESENT WERE POLOFF AND AD SECRETARY FOR INTERNATIONAL AFFAIRS TIMOTHY ZAMBRANO) MARCH 4, DEMOCRATIC ACTION (AD) SECRETARY GENERAL LUIS ALFARO UCERO TOOK PAINS TO STRESS THAT AD IS NOT A CONSERVATIVE PARTY AND NOT THE PARTY OF THE STATUS QUO, AS MANY PEOPLE THINK. HE POINTED OUT THAT ALL THE REFORMS UNDERTAKEN BY THE CALDERA ADMINISTRATION, MAINLY THE "AGENDA VENEZUELA," INCLUDING PRIVATIZATION OF THE STEEL AND ALUMINUM INDUSTRIES, WERE POSSIBLE

ONLY BECAUSE AD PROVIDED THE GOV THE "POLITICAL PLATFORM" IT NEEDED IN CONGRESS. ALFARO WOULD HAVE LIKED TO HAVE GONE MUCH FARTHER, HE SAID, "PRIVATIZING EVERYTHING, EVEN PETROCHEMICALS," WERE IT NOT FOR THE "NARROW VISION OF A FEW FUNDAMENTALISTS."

3. (C) ALFARO SAID SIMPLY, "THE STATE DOESN'T WORK." HE PROVIDED THE EXAMPLES OF THE TECHNICAL JUDICIAL POLICE (PTJ) AND CUSTOMS SERVICE AS TWO GOVERNMENTAL AGENCIES THAT OUGHT TO BE DISSOLVED AND BUILT UP AGAIN FROM SCRATCH. OVERALL, HE SAID, THE STATE NEEDS TO BE "REORGANIZED" WITH SHARP REDUCTIONS IN THE SIZE OF THE BUREAUCRACY, CLAIMING THAT THE RESULTING EFFICIENCY WILL HAVE A STRONG IMPACT ON THE CORRUPTION PROBLEM. WHEN AMBASSADOR NOTED THAT IN THE UNITED STATES WE SPEAK OF "REINVENTING GOVERNMENT," ALFARO SAID HE LOVED THE PHRASE AND WOULD "STEAL IT."

"SEVERE MEASURES" IN 1999

CLASSIFIED BY DEPT. OF STATE, M. GRAFELD, DAS, A/GIS, ACTING

REVIEW AUTHORITY: ADOLPH H EISNER

CLASSIFICATION: CONFIDENTIAL REASON: 1.5(D)

DECLASSIFY AFTER: 15 MAR 2023

DATE/CASE ID: 14 JUN 2010 200503654

(C) "VENEZUELAN SPEAK OF CHANGE, BUT THEY NEVER DO IT." ALFARO SAID. AD, HE TOLD US, IS SYSTEMATICALLY PUTTING TOGETHER A PROGRAM TO CHANGE THE ORGANIZATION OF THE STATE IN 1999, THE FIRST YEAR OF THE NEXT GOVERNMENT. INTERNALLY AD HAS BEEN WORKING MANY MONTHS ON A "PLAN OF ACTION" THAT WILL BE ANNOUNCED IN MID-MARCH. ANY WOULD-BE PRESIDENTIAL CANDIDATE WILL HAVE TO SIGN ONTO THE PLAN. ALFARO SAID THIS IS A REVERSAL OF THE USUAL PRACTICE OF PUTTING THE CANDIDATE AHEAD OF THE PROGRAM, WHICH IN THE PAST WAS DETERMINED ONLY AFTER THE ELECTION; AD VOTERS THIS TIME AROUND, HE STRESSED, WILL KNOW WHAT THEY ARE VOTING FOR.

5. (C) IN ADDITION, ALFARO SAID, AD WILL CONVENE "A NATIONAL

CONSULTATIVE PROCESS" OF ALL POLITICAL TENDENCIES AND INSTITUTIONS, INCLUDING THE MILITARY, CHURCH, ORGANIZED LABOR, ETC. HE SAID THIS HAS NEVER BEEN DONE BEFORE, AND IT WILL "REORIENT" AND "DYNAMIZE" THE POLITICAL DEBATE AND RESULT IN "A NATIONAL ACCORD." ALFARO BELIEVES THAT ONLY WITH BROAD CONSENSUS WILL THE NEXT GOVERNMENT BE ABLE TO APPLY THE "SEVERE MEASURES" NECESSARY TO MODERNIZE THE COUNTRY.

B6

BILATERAL AGENDA

6. (C) AMBASSADOR TOUCHED ON OUR BILATERAL AGENDA WITH SPECIAL FOCUS ON AGREEMENTS CURRENTLY BEING NEGOTIATED CONCERNING BILATERAL INVESTMENT, MARITIME COOPERATION, STOLEN VEHICLES, AND AVIATION. HE NOTED THAT THE VISIT TO VENEZUELA OF PRESIDENT CLINTON PROVIDED AN EXTRA IMPETUS TO BILATERAL RELATIONS, WHICH HAVE BEEN INTENSE AND POSITIVE, AND HE UNDERLINED THE IMPORTANCE OF IMPROVED COOPERATION IN NARCOTICS INTERDICTION. ALFARO RESPONDED POSITIVELY.

REF: 97 CARACAS 4007

AD BASE OF SUPPORT

7. (C) UNDERLYING ALFARO'S POLITICAL COMMENTARY IS THE ASSUMPTION THAT AD WILL WIN THE PRESIDENCY IN THE DECEMBER ELECTIONS.

REGARDLESS OF WHO ITS CANDIDATE IS. HE SAID AD STARTS FROM A 20 PERCENT BASE OF VOTER SUPPORT, AND ONCE THE PARTY "DEFINES ITSELF" AS TO PROGRAM AND CANDIDATE, IT WILL BEGIN TO EAT INTO THE SUPPORT THAT PRESIDENTIAL FRONT-RUNNER IRENE SAEZ AND AD APOSTATE CLAUDIO FERMIN NOW ENJOY. ALFARO SAID AD WILL FOLLOW THE ELECTORAL CALENDAR PRESCRIBED IN THE LAW, NAMING ITS CANDIDATE ONLY IN MAY AND NOT STARTING ITS CAMPAIGN UNTIL AUGUST.

8. (C) ALFARO DISMISSED THE PROPOSAL BY SOME PARTIES TO SEPARATE NATIONAL ELECTIONS (PRESIDENT AND CONGRESS) FROM STATE AND LOCAL

UNCLASSIFIED

CONFIDENTIAL

ROUTINE

CONFIDENTIAL
UNCLASSIFIED
CONFIDENTIAL

INCOMING

DEPARTMENT OF STATE
ARA/NEA REARCS

PAGE 02 OF 07 CARACA 00602 00 OF 03 162116Z 042622 S012510
ELECTIONS, NOW ALL SCHEDULED FOR DECEMBER 6. HE SAID IT IS TOO
LATE IN THE GAME AND TOO COSTLY TO HAVE TWO VOTING DAYS, BUT HE HAD
NO OBJECTION TO A CHANGE IN THE LAW TO ENSURE SEPARATION OF
ELECTIONS IN THE FUTURE. (COMMENT: A MAJORITY OF THE COUNTRY'S
GOVERNORS AND MAYORS ARE AD. MANY IN AD EXPECT THAT THEIR
PRESIDENTIAL CANDIDATE WILL TO SOME EXTENT RIDE THE COATTAILS OF
POPULAR OR ENTRENCHED STATE AND LOCAL OFFICIALS RUNNING FOR
REELECTION. END COMMENT.)

REF: 97 CARACAS 4807

MAISTO

B1

9. (C) AMBASSADOR RESPONDED THAT WE ARE FOLLOWING THE ELECTION
CLOSELY. OUR INTEREST, HE SAID, IS IN THE INTEGRITY OF THE
ELECTORAL PROCESS, BUT WE ARE OF COURSE NEUTRAL AS TO CANDIDATES
AND PARTIES. ALFARO NOTED THAT THE OUTCOME IS NOT LIKELY TO AFFECT
U.S. INTERESTS

B1

HUGO CHAVEZ'S "APOCALYPTIC VISION"

10. (C) HUGO CHAVEZ CANNOT WIN THE PRESIDENTIAL ELECTION, ALFARO

SAID, BUT HE COULD BECOME A SIGNIFICANT FORCE IN CONGRESS. ALFARO
COMPLAINED THAT THE MEDIA IS GIVING CHAVEZ'S "APOCALYPTIC VISION"
MUCH GREATER PLAY THAN IT DESERVES AND THAT "CERTAIN ECONOMIC
GROUPS," WHICH TEND TO PLACE THEIR BETS ALL OVER THE TABLE, ARE
FOOLISHLY SUPPORTING CHAVEZ. ALFARO SAID THAT AD'S RESPONSE TO
CHAVEZ IS NOT TO DISPUTE HIS DIAGNOSIS OF THE PROBLEM -- POVERTY,
CORRUPTION, INJUSTICE -- "BUT TO SAY THE ANSWER IS TO BUILD
TOGETHER, NOT TO DESTROY." CHAVEZ APPEALS TO VOTERS' DESPAIR,
ALFARO TOLD US, AND AD TO THEIR HOPES.

IRENE SAEZ "HEADED TOWARD AN ICEBERG"

11. (C) WITH RESPECT TO IRENE SAEZ, ALFARO SAID HER INEXPERIENCE
AND LACK OF A COHESIVE POLITICAL ORGANIZATION WILL INCREASINGLY
TAKE THEIR TOLL ON HER POPULARITY. "SHE IS LIKE THE TITANIC," HE
SAID, "A BEAUTIFUL FLOATING PALACE HEADED TOWARD AN ICEBERG." HE
NOTED THAT HER ANTI-POLITICAL PARTY BASE OF SUPPORT IS INHERENTLY
WEAK BECAUSE IT IS LARGELY MADE UP OF PEOPLE WHO DO NOT VOTE. HE
PREDICTED THAT, FOR LACK OF AN ALTERNATIVE, THE SOCIAL CHRISTIAN
PARTY (COPEI) WILL BACK IRENE BUT THAT COPEI IS TOO DIVIDED TO BE
EFFECTIVE IN THIS YEAR'S ELECTIONS. ALFARO ADDED THAT HE WAS ONE
OF SAEZ'S POLITICAL GODFATHERS, HAVING CONVINCED HER TO RUN FOR
MAYOR OF CHACAD THE FIRST TIME, AND THAT THEY REMAIN FRIENDS.

COMMENT

B1

UNCLASSIFIED
CONFIDENTIAL